

Kevin D. Reese (SBN 172992)
Kevin.Reese@jacksonlewis.com
Michael D. Thomas (SBN 226129)
Michael.Thomas@jacksonlewis.com
Buck N. Haddix (SBN 295334)
Buck.Haddix@jacksonlewis.com
JACKSON LEWIS P.C.
725 South Figueroa Street, Suite 2500
Los Angeles, California 90017-5408
Telephone: (213) 689-0404
Facsimile: (213) 689-0430

Attorneys for Defendants
ACADIA HEALTHCARE COMPANY, INC.;
and MISSION TREATMENT SERVICES, INC.

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

PATRICIA J. RYAN, individually, and on behalf
of all others similarly situated,

CASE NO.:

DEFENDANT ACADIA HEALTHCARE COMPANY, INC.'S NOTICE OF REMOVAL OF ACTION TO THE UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA PURSUANT TO 28 U.S.C. §§ 1332, 1441, 1446, and 1453 (CAFA)

(Filed concurrently with Civil Case Cover Sheet;
Declarations of Christy Enos, Tony Taylor and
Buck N. Haddix; Corporate Disclosure Statement;
and Notice of Interested Parties)

MISSION TREATMENT SERVICES, INC., a California corporation; ACADIA HEALTHCARE COMPANY, INC., a Delaware corporation; and DOES 1 through 100, inclusive,

Defendants.

III

111

III

III

III

11

11

1 **TO THE CLERK OF THE U.S. DISTRICT COURT FOR THE CENTRAL DISTRICT**
2 **OF CALIFORNIA, PLAINTIFF PATRICIA J. RYAN, AND HER COUNSEL OF RECORD:**

3 PLEASE TAKE NOTICE that Defendant ACADIA HEALTHCARE COMPANY, INC.
4 ("Defendant" or "Acadia") hereby invokes this Court's jurisdiction under the provisions of 28 U.S.C. §§
5 1332(d), 1441, 1446 and 1453, and removes the above-entitled action from the Superior Court of the State
6 of California for the County of Los Angeles based on the Class Action Fairness Act of 2005 ("CAFA").
7 Acadia submits this Notice of Removal without waiving any defenses to the claims asserted by Plaintiff
8 PATRICIA J. RYAN ("Plaintiff") and without conceding Plaintiff has pled claims upon which relief can
9 be granted. This removal is based on the following grounds:

10 **SERVICE AND PLEADINGS FILED IN STATE COURT**

11 1. On May 6, 2022, Plaintiff filed an unverified Class Action Complaint against Acadia and
12 Mission Treatment Services, Inc. ("Mission") in the Superior Court of the State of California for the County
13 of Los Angeles entitled *PATRICIA J. RYAN, individually, and on behalf of all others similarly situated,*
14 *Plaintiff, v. MISSION TREATMENT SERVICES, INC., a California corporation; ACADIA*
15 *HEALTHCARE COMPANY, INC., a Delaware corporation; and DOES 1 through 100, inclusive,*
16 *Defendants*, Case No. 22STCV15217, which sets forth the following seven (7) causes of action: (1) failure
17 to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods; (4) failure to
18 provide rest periods; (5) waiting time penalties; (6) wage statement violations; and (7) unfair competition
19 (the "Complaint"). As stated therein, the Complaint is brought as a class action on behalf of Plaintiff and "a
20 class of all current and former non-exempt employees of Defendants within the State of California at any
21 time commencing four (4) years preceding the filing of Plaintiff's complaint up until the time that notice of
22 the class action is provided to the class."

23 2. Acadia first received Plaintiff's Summons, Complaint and Civil Case Cover Sheet when it
24 was served on May 11, 2022. Declaration of Buck N. Haddix ("Haddix Decl.") at ¶ 3. True and correct
25 copies of the Summons, Complaint, Civil Case Cover Sheet, and related court documents received by
26 Acadia on May 11, 2022 are attached as **Exhibit "A"** to the Haddix Declaration.

27 3. On June 1, 2022, Judge David S. Cunningham III of the Superior Court of California,
28 County of Los Angeles, issued an Initial Status Conference Order and a Court Order Re: Newly Filed

1 Case which the Court Clerk served on Plaintiff's counsel. True and correct copies of the Initial Status
2 Conference Order, the Court Order Re: Newly Filed Case and the Clerk's Certificate of Service are
3 attached to the Haddix Declaration as **Exhibit "B."** *Id.* at ¶ 4.

4. On June 9, 2022, Acadia filed and served an Answer to the Complaint in Los Angeles County
5 Superior Court, making a general denial as permitted by California Code of Civil Procedure § 431.30(d) and
6 asserting various affirmative defenses. *Id.* at ¶ 5. A true and correct copy of Acadia's Answer is attached as
7 **Exhibit "C"** to the Haddix Declaration.

5. As of today, **Exhibits "A," "B" and "C"** to the Haddix Declaration constitute all of the
9 pleadings that have been filed or served in this action, and no further proceedings have occurred in the
10 state court. *Id.* at ¶ 6.

TIMELINESS OF REMOVAL

6. This Notice of Removal has been filed within thirty (30) days after Acadia was first served
with a copy of Plaintiff's Summons and Complaint on May 11, 2022. *Id.* at ¶ 3. Therefore, it has been filed
within the time period mandated by 28 U.S.C. § 1446(b). *Murphy Bros. v. Michetti Pipe Stringing*, 526 U.S.
344, 354 (1999) ("[T]he defendant's period for removal will be no less than 30 days from service, and in
some categories, it will be more than 30 days from service, depending on when the complaint is received.").

VENUE

7. This action was filed in the Superior Court in and for the County of Los Angeles. Thus,
pursuant to 28 U.S.C. § 1441(a), Acadia is removing this action to the United States District Court for
the Central District of California as the district "embracing the place where [the] action is pending."

REMOVAL BASED ON CLASS ACTION FAIRNESS ACT

8. Removal of this action is proper under CAFA, 28 U.S.C. §§ 1332 *et seq.* Section 4 of
CAFA, 28 U.S.C. § 1332(d)(2), has been amended to read, in relevant part:

The district courts shall have original jurisdiction of any civil action in
which the matter in controversy exceeds the sum or value of \$5,000,000,
exclusive of interest and costs, and is a class action in which – (A) any
member of a class of plaintiffs is a citizen of a State different from any
defendant.

27 ///

28 ///

1 9. In addition, CAFA provides for jurisdiction in the district courts only where the proposed
2 class involves 100 or more members, or where the primary defendants are not States, State officials, or
3 other governmental entities. 28 U.S.C. § 1332 (d)(5).

4 10. As set forth below, this is a civil action over which this Court has original jurisdiction under
5 28 U.S.C. § 1332(d), in that it is a civil action filed as a class action involving more than 100 members, the
6 matter in controversy – based on the allegations in the Complaint – exceeds the sum of \$5,000,000,
7 exclusive of interest and costs, and Plaintiff is a citizen of a state different from one of the Defendants. *See*
8 28 U.S.C. §§ 1332(d) and 1453.¹ Furthermore, Acadia is not a State, State official, or other governmental
9 entity.

10 **A. THE PUTATIVE CLASS CONTAINS MORE THAN 100 MEMBERS.**

11 11. CAFA provides that the district courts shall not have jurisdiction over class actions where
12 “the number of members of all proposed plaintiff classes in the aggregate is less than 100.” 28 U.S.C.
13 § 1332(d)(5).

14 12. The class definition set forth by Plaintiff in the Complaint includes non-exempt employees
15 of Acadia “and any of its respective subsidiaries or affiliated companies within the State of California.”
16 Haddix Decl. at ¶ 3, **Exhibit “A”** [“Complaint”] at ¶ 1.² Here, Acadia has identified in excess of 550
17 individuals that fit Plaintiff’s definition of the class who are or were employed by Acadia’s subsidiaries
18 including Mission as non-exempt employees in the State of California between May 6, 2018 (four years
19 prior to the filing of the Complaint) and the present (collectively referred to herein as “Putative Class
20 Members” or the “Putative Class”; the period between May 6, 2018 and the present is referred to herein as
21 the “Putative Class Period”). Declaration of Tony Taylor (“Taylor Decl.”) at ¶ 4.³ Accordingly, the
22 numerosity requirement for jurisdiction under CAFA is satisfied.

23

¹ Acadia does not need the consent of the other defendant to properly remove this action. *See* 28 U.S.C. §
24 1453(b) (“A class action may be removed to a district court of the United States in accordance with section 1446 .
25 . . by any defendant without the consent of all defendants.”).
26 ² Acadia denies each and every allegation set forth by Plaintiff in the Complaint and denies that Plaintiff or
Putative Class Members are entitled to any compensatory or statutory damages, injunctive relief, restitution, civil
penalties, attorneys’ fees, or any other relief. Acadia also denies that this action can proceed as a class action.
Notwithstanding the above, removal of this action is proper given that removal is based on the allegations asserted in the
27 Complaint.

28 ³ Although the Putative Class Period spans from May 6, 2018 to the present, all calculations used in this
Notice of Removal are based on payroll data for Putative Class Members who worked for Acadia’s subsidiaries in
California from September 7, 2020 to June 3, 2022. *See* Taylor Decl. ¶¶ 4, 5.

1 **B. NONE OF THE NAMED DEFENDANTS ARE GOVERNMENT ENTITIES.**

2 13. Acadia is not a State, a State official, or any other governmental entity. Declaration of
3 Christy Enos (“Enos Decl.”) at ¶ 3.

4 14. Upon information and belief, the other Defendant – Mission Treatment Services, Inc. – is
5 not a State, a State official, or any other governmental entity. *Id.* at ¶ 7.

6 **C. MINIMAL DIVERSITY IS SATISFIED UNDER CAFA.**

7 15. The standard for establishing diversity of citizenship under CAFA is different than diversity
8 jurisdiction under 28 U.S.C. 1332(a)-(c). CAFA’s diversity requirement is satisfied when there is minimal
9 diversity, *i.e.*, when at least one member of a class of plaintiffs is a citizen of a state in which none of the
10 defendants are citizens. 28 U.S.C. § 1332(d)(2); *see Snyder v. Harris*, 394 U.S. 332, 340 (1969) (“if one
11 member of a class is of diverse citizenship from the class’ opponent, and no nondiverse members are named
12 parties, the suit may be brought in federal court even though all other members of the class are citizens of
13 the same State as the defendant”); *United Steel, Paper & Forestry, Rubber, Mfg., Energy, Allied Indus. &*
14 *Serv. Workers Int’l Union, AFL-CIO, CLC v. Shell Oil Co.*, 602 F.3d 1087, 1090-91 (holding that to
15 achieve its purposes, CAFA provides expanded original diversity jurisdiction for class actions meeting the
16 minimal diversity requirement set forth in 28 U.S.C. § 1332(d)(2)); *Bradford v. Bank of Am. Corp.*, No. CV
17 15-5201-GHK (JCx), 2015 U.S. Dist. LEXIS 120800, at *13 (C.D. Cal. Sep. 10, 2015) (“[defendant]
18 needed only to establish that one plaintiff was a citizen of a different state from any one defendant at the
19 time of removal”).

20 16. For individuals, citizenship is determined by a person’s domicile. *Lew v. Moss*, 797 F.2d
21 747, 749 (9th Cir. 1986). “A person’s domicile is her permanent home, where she resides with the
22 intention to remain or to which she intends to return.” *Kanter v. Warner-Lambert Co.*, 265 F.3d 853,
23 857 (9th Cir. 2001). While residence and citizenship are not the same, a person’s place of residence is
24 *prima facie* evidence of his or her citizenship. *State Farm Mut. Auto. Ins. Co. v. Dyer*, 19 F.3d 514,
25 519-20 (10th Cir. 1994); *see also Smith v. Simmons*, 2008 U.S. Dist. LEXIS 21162, at *22 (E.D. Cal.
26 2008). Furthermore, a person’s intention to remain may be established by his or her place of
27 employment. *Youn Kyung Park v. Holder*, 572 F.3d 619, 625 (9th Cir. 2009); *see also Francisco v.*
28 *Emeritus Corp.* (C.D. Cal. June 12, 2017, No. CV 17-02871-BRO (SSx)) 2017 U.S. Dist. LEXIS 90131,

1 at *10) (“Plaintiff’s residence and employment in California are sufficient evidence of his intent to
2 remain in California.”).

3 17. Acadia is informed and believes that Plaintiff, at the time this action was commenced,
4 and still is, a resident and citizen of the State of California. **Exhibit “A”** [“Complaint”] at ¶ 2.

5 18. For purposes of removal under CAFA, a corporation is a citizen of any state where it is
6 incorporated and of the state where it has its principal place of business. 28 U.S.C. § 1332(c). With
7 respect to ascertaining a corporation’s principal place of business, the United States Supreme Court has
8 adopted the “nerve center test.” *Hertz Corp. v. Friend*, 559 U.S. 77, 80-81 (2010). Under the nerve
9 center test, a corporation’s principal place of business is where a corporation’s high-level officers direct,
10 control and coordinate the corporation’s activities. *Id.* A corporation can only have one “nerve center.”
11 *Id.* at 93-94. In evaluating where a corporation’s “nerve center” is located, courts will look to the center
12 of overall direction, control, and coordination of the company and will no longer weigh corporate
13 functions, assets, or revenues in each state. *Id.*

14 19. At the time Plaintiff filed the Complaint and presently, Acadia has been a corporation
15 organized under the laws of the State of Delaware. Enos Decl. at ¶ 4. At all relevant times, Acadia’s
16 company headquarters, and thus its principal place of business, has been in the State of Tennessee. *Id.*
17 Acadia’s headquarters in Franklin, Tennessee is where the majority of its executive, administrative,
18 financial and management functions are conducted, and from where the majority of its high-level officers
19 direct, control, coordinate and control the company’s operations and activities. *Id.* at ¶ 5. Most of Acadia’s
20 executive officers maintain their offices in the State of Tennessee. *Id.* Accordingly, for purposes of
21 removal under CAFA, Acadia is a citizen of the States of Delaware and Tennessee, and is not a citizen of
22 the State of California.

23 20. Given the above, minimal diversity exists under CAFA because at least one member of the
24 Putative Class (Plaintiff) was, at the time this action was commenced – and is still believed to be – a citizen
25 of the State of California, while at least one Defendant (Acadia) was – and still is – a citizen of the States
26 Delaware and Tennessee.⁴ 28 U.S.C. § 1332(d)(2).

27
28 4 The citizenship of the remaining Defendant – Mission Treatment Services, Inc. – is immaterial for the purposes
of determining whether CAFA’s minimal diversity requirements are satisfied. *See Serrano v. 180 Connect, Inc.*, 478 F.3d
1018, 1021 (9th Cir. 2007) (“under CAFA, complete diversity is not required; ‘minimal diversity’ suffices”); *see also* 28

1 **D. THE AMOUNT IN CONTROVERSY EXCEEDS \$5,000,000 BASED ON A PLAUSIBLE**
2 **READING OF THE ALLEGATIONS OF THE COMPLAINT.**

3 21. Under CAFA, the claims of the individual members in a class action are aggregated to
4 determine if the amount in controversy exceeds the sum or value of \$5,000,000. *See* 28 U.S.C. §
5 1332(d)(6). Congress intended federal jurisdiction to be appropriate under CAFA “if the value of the matter
6 in litigation exceeds \$5,000,000 either from the viewpoint of the plaintiff or the viewpoint of the defendant,
7 and regardless of the type of relief sought (e.g., damages, injunctive relief, or declaratory relief).” Sen. Jud.
8 Comm. Rep., S. REP. 109-14, at 42. Moreover, any doubts regarding the maintenance of interstate class
9 actions in state or federal court should be resolved in favor of federal jurisdiction. S. Rep. 109-14, at 42-43
10 (“[I]f a federal court is uncertain about whether ‘all matters in controversy’ in a purported class action ‘do not
11 in the aggregate exceed the sum or value of \$5,000,000, the court should err in favor of exercising jurisdiction
12 over the case Overall, new section 1332(d) is intended to expand substantially federal court jurisdiction
13 over class actions. Its provisions should be read broadly”).

14 22. In determining whether the amount in controversy exceeds \$5,000,000, the Court must
15 presume Plaintiff will prevail on each and every one of her claims. *Kenneth Rothschild Trust v. Morgan*
16 *Stanley Dean Witter*, 199 F.Supp. 993, 1001 (C.D. Cal. 2002) (*citing Burns v. Windsor Ins. Co.*, 31 F.3d
17 1092, 1096 (11th Cir. 1994) (the amount in controversy analysis presumes that “plaintiff prevails on
18 liability”); *Angus v. Shiley Inc.*, 989 F.2d 142, 146 (3d Cir. 1993) (“the amount in controversy is not
19 measured by the low end of an open-ended claim”)). Moreover, the argument and facts set forth herein
20 may appropriately be considered in determining whether the jurisdictional amount in controversy is
21 satisfied. *Cohn v. Petsmart, Inc.*, 281 F.3d 837, 843, n.1 (9th Cir. 2002) (*citing Willingham v. Morgan*,
22 395 U.S. 402, 407 n.3 (1969)).

23 23. Notably, “[t]here is no obligation by defendant to support removal with production of
24 extensive business records to prove or disprove liability and/or damages with respect to plaintiff or the
25 putative class members at this premature (pre-certification) stage of the litigation.” *Muniz v. Pilot Travel*
26 *Ctrs. LLC*, 2007 U.S. Dist. LEXIS 31515, at *15 (E.D. Cal. Apr. 30, 2007). Rather, a defendant seeking

27
28 U.S.C. § 1441(a) (“For purposes of removal under this Chapter, the citizenship of defendants used under a fictitious name
shall be disregarded.”).

1 removal must prove by a preponderance of the evidence that the aggregate amount in controversy exceeds
2 the jurisdictional minimum. *Jauregui v. Roadrunner Transp. Servs.*, 28 F.4th 989, 993-94 (9th Cir. 2022)
3 (finding that the district court erred in imposing – both explicitly and in its analysis – a presumption
4 against CAFA jurisdiction, and holding instead that the defendant was only required to show the amount in
5 controversy by a preponderance of evidence); *Arias v. Residence Inn*, 936 F.3d 920, 922, 925 (9th Cir.
6 2019) (the removing defendant may rely on reasonable assumptions in estimating the amount in
7 controversy, which “need not be proven”); *Rodriguez v. AT&T Mobility Servs. Ltd. Liab. Co.*, 728 F.3d 975,
8 977 (9th Cir. 2013) (“the proper burden of proof imposed upon a defendant to establish the amount in
9 controversy is the preponderance of the evidence standard”); *see Lewis v. Verizon Commc’ns, Inc.*, 627 F.3d
10 395, 400 (9th Cir. 2010) (“The amount in controversy is simply an estimate of the total amount in dispute,
11 not a prospective assessment of defendant’s liability.”).

12 24. In *Dart Cherokee Basin Operating Company, LLC v. Owens*, the United States Supreme
13 Court held that, whereas here, the complaint is silent as to whether the amount in controversy meets
14 CAFA’s jurisdictional threshold of \$5,000,000 “a defendant’s notice of removal need include only a
15 *plausible* allegation that the amount in controversy exceeds the jurisdictional threshold.” 135 S. Ct. 547,
16 554 (2014) (emphasis added). Following *Dart*, the Ninth Circuit confirmed “a removing defendant’s
17 notice of removal need not contain evidentiary submissions but only plausible allegations of the
18 jurisdictional elements,” and further that “when a defendant’s allegations of removal jurisdiction are
19 challenged, the defendant’s showing on the amount in controversy may rely on reasonable assumptions,”
20 which need not be proven. *Salter v. Quality Carriers, Inc.*, 974 F.3d 959, 963 (9th Cir. 2020) (citations
21 and internal quotation marks omitted); *Arias*, 936 F.3d at 922, 925 (defendant may rely on reasonable
22 assumptions in estimating amount in controversy, which “need not be proven”). Further, “[n]o
23 ‘antiremoval presumption attends cases invoking CAFA’ because ‘Congress enacted [CAFA] to facilitate
24 adjudication of certain class actions in federal court.’” *Adams v. Toys ‘R’ US – Delaware, Inc.*, 2015 U.S.
25 Dist. LEXIS 11338, at *5-6 (N.D. Cal. Jan. 29, 2015) quoting *Dart*, 135 S. Ct. at 554. On the contrary,
26 courts are required to interpret CAFA’s provisions broadly in favor of removal. *Jordan v. Nationstar
27 Mortg. LLC*, 781 F.3d 1178, 1183-84 (9th Cir. 2015).

28

1 25. Moreover, if a plaintiff asserts statutory violations, the court must assume that the violation
2 rate is 100% unless the plaintiff specifically alleges otherwise. *See Muniz v. Pilot Travel Ctrs. LLC*, 2007
3 U.S. Dist. LEXIS 31515, at *12-13 (E.D. Cal. Apr. 30, 2007) (“As these allegations reveal, plaintiff includes
4 no fact-specific allegations that would result in a putative class or violation rate that is discernibly smaller
5 than 100%, used by defendant in its calculations. Plaintiff is the ‘master of [her] claim[s],’ and if she wanted
6 to avoid removal, she could have alleged facts specific to her claims which would narrow the scope of the
7 putative class or the damages sought.”) (*citing Caterpillar, Inc. v. Williams*, 482 U.S. 386, 392 (1987)); *see also Arreola v. The Finish Line*, No. 14- CV-03339-LHK, 2014 U.S. Dist. LEXIS 170464, at *12 (N.D. Cal.
8 Dec. 9, 2014) (“District courts in the Ninth Circuit have permitted a defendant removing an action under
9 CAFA to make assumptions when calculating the amount in controversy—such as assuming a 100 percent
10 violation rate, or assuming that each member of the class will have experienced some type of violation—
11 when those assumptions are reasonable in light of the allegations in the complaint.”); *Coleman v. Estes
12 Express Lines, Inc.*, 730 F. Supp. 2d 1141, 1149 (C.D. Cal. 2010) (“[C]ourts have assumed a 100% violation
13 rate in calculating the amount in controversy when the complaint does not allege a more precise
14 calculation.”)).

16 26. While Plaintiff does not allege a specific amount in damages, her Complaint was filed as an
17 “unlimited” jurisdiction civil case on behalf of the Putative Class. As such, Plaintiff is claiming the
18 monetary damages and restitution she is seeking exceeds the \$25,000 minimum jurisdiction limits of the
19 California Superior Court,⁵ which is confirmed by the fact that she stated the “[Amount in Controversy
20 Exceeds \$25,000.00]” on her Civil Case Cover Sheet. Haddix Decl. at ¶ 3, **Exhibit “A”** [Civil Case Cover
21 Sheet]. Plaintiff further contends that her claims “are typical of those claims which could be alleged by any
22 Class Members, and the relief sought is typical of the relief which would be sought by each Class Member
23 in separate actions,” and that “Plaintiff and Class Members sustained injuries and damages arising out of
24 and caused by Defendants’ common course of conduct.” Complaint at ¶ 26. Thus, based on the allegations
25 in the Complaint, it is plausible that Plaintiff is seeking at least \$25,000 [the unlimited jurisdictional
26 amount] per Putative Class Member, which places over **\$13,750,000** in controversy (\$25,000 x 550
27
28

⁵ *See California Code of Civil Procedure §§ 86(a) and 88.*

1 Putative Class Members).⁶ Taylor Decl. at ¶ 4; *see Abrego v. The Dow Chem. Co.*, 443 F.3d 676, 689
2 (2006) (finding jurisdictional amount met where complaint sought no specific amount in damages but pled
3 the amount in controversy to exceed \$25,000 and there were 1,160 class members).

4 27. In the alternative, and without admitting Plaintiff could recover any damages whatsoever,
5 a plausible reading of the causes of action alleged in the Complaint⁷ also conservatively places an
6 aggregate amount in controversy exceeding \$5,000,000, exclusive of attorneys' fees, interest, and costs,
7 as follows:

8 a. First Cause of Action – Failure to Pay Overtime Wages: Plaintiff alleges that she and
9 Putative Class Members, “at times, worked for Defendants during shifts that consisted of more than eight (8)
10 hours in a workday and/or more than forty hours in a workweek, and/or seven (7) consecutive workdays in a
11 workweek, without being paid overtime wages for all hours worked as a result of, including but not limited
12 to, Defendants failing to accurately track and/or pay for all minutes actually worked at the proper overtime
13 rate of pay.” Complaint at ¶ 34. Given these purported violations, Plaintiff claims she and Putative Class
14 Members are entitled to recover overtime wages “at the rate of no less than one and one-half times the
15 regular rate of pay” for “[a]ny work in excess of eight hours in one workday and any work in excess of forty
16 hours in one workweek,” and “at the rate of no less than twice the regular rate of pay” for “[a]ny work in
17 excess of 12 hours in one day” and “in excess of eight hours on any seventh day of a workweek.” *Id.* at ¶¶
18 32, 33. Thus, based on the allegations in the Complaint, it is plausible that Plaintiff is seeking to recover at
19 least one hour of overtime wages per week for all Putative Class Members, which would place over
20 **\$1,507,275** in controversy in connection with her overtime claim (\$31.50 overtime rate [\$21.00⁸ x 1.5] x 1
21 hour per week x 47,850 workweeks).⁹ Taylor Decl. at ¶ 5.

22

23 ⁶ Although the Putative Class Period spans from May 6, 2018 to the present, the fact that Acadia only
24 includes potential exposure for less than two years – from September 7, 2020 to June 3, 2022 – further
25 demonstrates how conservatively the amount in controversy was calculated for purposes of this removal.

26 ⁷ *See e.g. Lucas v. Michael Kors (USA) Inc.*, No. CV 18-1608-MWF (MRWx), 2018 U.S. Dist. LEXIS 78510, at
27 *8 (C.D. Cal. May 9, 2018) (“Defendants may use reasonable assumptions in calculating the amount in controversy for
purposes of removal.”).

28 ⁸ For purposes of this Notice of Removal, Acadia conservatively utilized the combined average hourly rate earned
by Putative Class Members from September 7, 2020 to June 3, 2022 during the Putative Class Period rounded down
to the nearest dollar (\$21.00), unless otherwise indicated. Taylor Decl. at ¶ 5.

29 ⁹ The majority of the Putative Class Members are full time employees that typically work eight hours per day, five
days per week. An average year for a full-time employee contains approximately 250 workdays and 50 workweeks. The
period of September 7, 2020 to June 3, 2022, therefore, contains a total of approximately 433 workdays and 87

1 b. Second Cause of Action – Failure to Pay Minimum Wages: Plaintiff claims that
2 “Defendants failed, at times, to accurately track and/or pay for all hours actually worked at [Plaintiff and
3 Class Members’] regular rate of pay that is above the minimum wage,” and that “Plaintiff and Class
4 Members are entitled to recover the full amount of unpaid minimum wages [and] liquidated damages.”
5 Complaint at ¶¶ 40, 42. Thus, based on the allegations in the Complaint, it is plausible that Plaintiff is
6 seeking to recover at least one hour of minimum wage per week for all Putative Class Members, which
7 would place over **\$1,052,700** in controversy in connection with her minimum wage claim (\$11.00¹⁰
8 minimum hourly wage rate x 1 hour per week x 47,850 workweeks plus an equal amount in liquidated
9 damages). Taylor Decl. at ¶ 5.

10 c. Third Cause of Action – Failure to Provide Meal Periods: Plaintiff alleges that she and
11 Putative Class Members “were, at times, not provided complete, timely 30-minute, duty-free uninterrupted
12 meal periods every five hours of work without waiving the right to take them, as permitted.” Complaint at ¶
13 47. Plaintiff further asserts that “Defendants failed to provide one (1) additional hour of pay at the Class
14 Member’s regular rate of compensation on the occasions that Class Members were not provided compliant
15 meal periods,” and that “Plaintiff and Class Members are entitled to recover the full amount of their unpaid
16 additional pay for unprovided compliant meal periods.” *Id.* at ¶¶ 47, 50. Thus, based on the allegations in
17 the Complaint, it is plausible that Plaintiff is seeking to recover at least one meal period premium per week
18 for all Putative Class Members, which would place over **\$1,004,850** in controversy in connection with her
19 meal period claim (\$21.00 hourly rate x 1 meal period per week x 47,850 workweeks). Taylor Decl. at ¶ 5.

20 d. Fourth Cause of Action – Failure to Provide Rest Periods: Plaintiff alleges that she and
21 Putative Class Members “were, at times, not authorized or permitted to take complete, timely 10-minute,
22 duty-free uninterrupted rest periods every four (4) hours of work or major fraction thereof” and that
23 “Defendants failed to provide one (1) additional hour of pay at the Class Member’s regular rate of
24 compensation on the occasions that Class Members were not authorized or permitted to take compliant rest

25
26 workweeks. Accordingly, a conservative estimate of the total workweeks worked by the Putative Class Members
27 during the Class Period is 47,850 (550 employees x 87 workweeks). Taylor Decl. at ¶ 5.

28 ¹⁰ For purposes of calculating potential minimum wage damages in this Notice of Removal, Acadia
conservatively utilized the lowest applicable minimum wage rate in effect during the Putative Class Period
(\$11.00 per hour). See California Department of Industrial Relations History of California Minimum Wage Chart
(<https://www.dir.ca.gov/iwc/minimumwagehistory.htm>).

1 periods.” Complaint at ¶ 55. Plaintiff further alleges that “Plaintiff and Class Members are entitled to
2 recover the full amount of their unpaid additional pay for unprovided compliant rest periods.” *Id.* at ¶ 58.
3 Thus, based on the allegations in the Complaint, it is plausible that Plaintiff is seeking to recover at least one
4 rest period premium per week for all Putative Class Members, which would place over **\$1,004,850** in
5 controversy in connection with her rest period claim (\$21.00 hourly rate x 1 rest period per week x 47,850
6 workweeks). Taylor Decl. at ¶ 5.

7 e. Sixth Cause of Action – Failure to Provide Accurate Wage Statements: Plaintiff alleges that
8 “Defendants [knowingly, intentionally, and willfully] failed to comply with Labor Code section 226,
9 subdivision (a) by adopting policies and practices that resulted in their failure, at times, to furnish Plaintiff
10 and Class Members with accurate itemized statements.” Complaint at ¶ 70. Given these purported
11 violations, Plaintiff claims she and Putative Class Members “are entitled to recover \$50 for the initial pay
12 period during the period in which violation of Labor Code section 226 occurred and \$100 for each violation
13 of Labor Code section 226 in a subsequent pay period, not to exceed an aggregate \$4,000.00 per
14 employee.” *Id.* at ¶ 73. During the one-year statute of limitations period mandated under Labor Code
15 section 226 (*i.e.*, May 6, 2021 to the present), at least 230 Putative Class Members received in excess of
16 6,500 bi-weekly wage statements. Taylor Decl. at ¶ 6. Thus, based on the allegations in the Complaint, it is
17 plausible that Plaintiff has placed over **\$638,500** in controversy in connection with her wage statement
18 claim (\$50 per first wage statement x 230 Putative Class Members who worked between May 6, 2021 and
19 June 3, 2022, plus \$100 per each subsequent wage statement x 6,270 pay periods worked by Putative Class
20 Members between May 6, 2021 and June 3, 2022, up to a maximum of \$4,000 per Putative Class Member).

21 *See Labor Code § 226(e)(1); see also Moppin v. Los Robles Reg'l Med. Ctr., No. EDCV 15-1551 JGB*
22 (DTBx), 2015 U.S. Dist. LEXIS 129574, at *10 (C.D. Cal. Sep. 24, 2015) (district court finding that a
23 100% violation rate was justified because the plaintiff there asserted in her complaint that “at all relevant
24 times herein, defendants intentionally and willfully failed to furnish plaintiff and the class members with
25 accurate wage statements,” thereby accusing defendants of “issuing inaccurate wage statements ‘at all
26 times’ and in regards to both Plaintiff and the class members”); *Lucas*, 2018 U.S. Dist. LEXIS 78510, at
27 *25 (noting that “it is not unreasonable to assume that, with this many violations alleged by Plaintiff, every
28 one of the wage statements issued during the one-year period could very likely have been noncompliant”).

1 28. Plaintiff also seeks an unspecified amount of attorneys' fees in connection with her
2 putative class and collective claims, which the Court must consider and include in the amount in
3 controversy. Complaint at ¶¶ 18, 36, 42, 50, 58, 74, Prayer for Relief. *Solorzano v. Alsco Inc.*, 2021
4 U.S. Dist. LEXIS 129517 at *3 (C.D. Cal. July 12, 2021) ("Future attorney's fees must be included in
5 the amount in controversy.") (citations omitted). Attorneys' fee awards in California wage-hour class
6 actions can easily total several hundred thousands of dollars or more. *See, e.g., McGuigan v. City of*
7 *San Diego*, 183 Cal. App. 4th 610, 638 (2010) (noting attorneys' fees paid in settlement of \$1.6
8 million); *Pellegrino v. Robert Half Int'l, Inc.*, 182 Cal. App. 4th 278, 287, 296 (2010) (affirming
9 \$558,926.85 in attorneys' fees in exemption misclassification class case, but reversing as to multiplier);
10 *Vasquez v. California*, 45 Cal. 4th 243, 249 (2008) (noting award of \$435,000 in attorneys' fees for
11 class claims involving failure to pay wages, liquidated damages, penalties and waiting time penalties).
12 Moreover, the Ninth Circuit recently concluded "that the amount in controversy is not limited to
13 damages incurred prior to removal—for example, it is not limited to wages a plaintiff-employee would
14 have earned before removal (as opposed to after removal). Rather, the amount in controversy is
15 determined by the complaint operative at the time of removal and encompasses all relief a court may
16 grant on that complaint if the plaintiff is victorious." *Chavez v. JPMorgan Chase & Co.*, 888 F.3d 413,
17 414-15 (9th Cir. 2018); *see also Lucas, supra*, 2018 U.S. Dist. LEXIS 78510 at *32 ("unaccrued post-
18 removal attorneys' fees can be factored into the amount in controversy"); *Baker v. Tech Data Corp.*,
19 2022 U.S. Dist. LEXIS 66950 at *4 (C.D. Cal. Apr. 11, 2022) ("Recent estimates for the number of
20 hours expended through trial for employment cases in this district have ranged from 100 to 300
21 hours."); *Solorzano, supra*, 2021 U.S. Dist. LEXIS 129517 at *3-4 (demonstrating courts regularly
22 adopting a \$300 per hour rate for attorneys' fees in employment actions).

23 29. "Courts in this circuit have held that, for purposes of calculating the amount in
24 controversy in a wage-and-hour class action, removing defendants can reasonably assume that plaintiffs
25 are entitled to attorney fees valued at approximately twenty-five percent of the projected damages."
26 *Fong v. Regis Corp.*, No. C 13-04497 RS, 2014 U.S. Dist. LEXIS 275 at *23 (N.D. Cal. Jan. 2, 2014);
27 *see also Herrera v. Carmax Auto Superstores Cal., LLC*, No. EDCV-14-776-MWF (VBKx), 2014 U.S.
28 Dist. LEXIS 188729 at *12 (C.D. Cal. June 12, 2014) ("Substantial authority supports a 'benchmark'

1 25 percent attorneys' fees figure to be added to any claim for which attorneys' fees are available.");
2 *Hamilton v. Wal-Mart Stores, Inc.*, No. ED CV 17-01415-AB (KKx), 2017 U.S. Dist. LEXIS 162856 at
3 *16 (C.D. Cal. Sep. 29, 2017) ("The Ninth Circuit has allowed an estimate fee award of 25% of a
4 plaintiff's damages in calculating the amount in controversy under CAFA."); *Gutierrez v. Stericycle,*
5 *Inc.*, No. LA CV15-08187 JAK (JEMx), 2017 U.S. Dist. LEXIS 20975 at *51 (C.D. Cal. Feb. 14,
6 2017) ("it is appropriate to include in the calculation of the amount in controversy a potential fee award
7 of 25% of the value of certain of the substantive claims").

8 30. The Court should therefore consider attorneys' fees of at least **\$1,302,043**, a conservative
9 estimate at 25% of the aggregate amount in controversy calculated in Paragraph 27 above. *See, e.g., Oda*
10 *v. Gucci Am., Inc.*, 2015 U.S. Dist. LEXIS 1672 at *11-13 (C.D. Cal. 2015) (finding the defendant's
11 assumptions regarding attorneys' fees to be "reasonable" on removal where the defendant stated "Plaintiffs
12 would recover a 25 percent fee" totaling "\$1,329,245," based on "the amount in controversy before
13 attorneys' fees" of "\$5,316,978").

14 31. Thus, for the reasons discussed above, and without conceding or admitting to the
15 underlying merit of Plaintiff's claims, it is plausible that the aggregate amount in controversy in
16 connection with Plaintiff's putative class claims (**\$6,510,218¹¹**) surpasses the \$5,000,000 jurisdictional
17 threshold required under CAFA.

18 **NOTICE TO ALL PARTIES AND STATE COURT**

19 32. In accordance with 28 U.S.C. § 1446(d), the undersigned counsel certifies that a copy of this
20 Notice of Removal and all supporting papers will be served promptly on Plaintiff's counsel and filed with
21 the Clerk of the Los Angeles County Superior Court. Therefore, all procedural requirements under 28
22 U.S.C. § 1446 will be followed and satisfied.

23 ///

24 ///

25 ///

26 ///

27 ¹¹ This amount does not include potential damages for Plaintiff's fifth cause of action for failure to pay all
28 wages due upon termination, which would further increase the amount in controversy in connection with
Plaintiff's putative class claims.

CONCLUSION

33. Based on the foregoing, Acadia hereby removes the above-captioned action from the Los Angeles County Superior Court to this Court based on CAFA requirements (28 U.S.C. §§ 1332(d), 1441, 1446 and 1453), and respectfully requests that this Court retain jurisdiction for all further proceedings.

Dated: June 10, 2022

JACKSON LEWIS P.C.

By: /s/ Buck N. Haddix

Kevin D. Reese
Michael D. Thomas
Buck N. Haddix

Attorneys for Defendants
ACADIA HEALTHCARE COMPANY, INC.;
and MISSION TREATMENT SERVICES, INC..